

## 6645 CSU Health Benefits for Retired Annuitants

This program provides funding for health benefit services for retired California State University employees and their dependents.

The program began on January 1, 1962, with an employer contribution of \$5.00 per month toward the cost of a basic health plan. Since then, major medical plans, Medicare, and plans supplementing Medicare have been developed.

The 2015-16 employer contribution for health premiums maintains the average 100/90 percent contribution formula established in Government Code section 22871 for members with five years of service. Under this formula, the state averages the premiums of the four largest health benefit plans to calculate the maximum amount the state contributes towards retiree health benefits. The state also contributes 90 percent of this average towards the health benefit costs of each of the retiree's dependents.

The retiree is responsible for paying all health benefit plan costs that exceed the state contribution. Premiums are determined on a calendar-year basis; therefore, the state contribution will vary during the fiscal year. The 2015 monthly contribution maximums are \$655 for a single enrollee, \$1,246 for an enrollee and one dependent, and \$1,605 for an enrollee and two or more dependents. The 2016 monthly contribution maximums are \$705 for a single enrollee, \$1,343 for an enrollee and one dependent, and \$1,727 for an enrollee and two or more dependents.

### 3-YR EXPENDITURES AND POSITIONS

		Positions			Expenditures		
		2014-15	2015-16	2016-17	2014-15*	2015-16*	2016-17*
5660	Health Benefits for CSU Retired Annuitants	-	-	-	\$255,638	\$264,084	\$291,096
<b>TOTALS, POSITIONS AND EXPENDITURES (All Programs)</b>		-	-	-	<b>\$255,638</b>	<b>\$264,084</b>	<b>\$291,096</b>
<b>FUNDING</b>					<b>2014-15*</b>	<b>2015-16*</b>	<b>2016-17*</b>
0001	General Fund				\$255,638	\$264,084	\$291,096
<b>TOTALS, EXPENDITURES, ALL FUNDS</b>					<b>\$255,638</b>	<b>\$264,084</b>	<b>\$291,096</b>

### LEGAL CITATIONS AND AUTHORITY

Government Code, Title 2, Division 5, Part 5.

### DETAILED BUDGET ADJUSTMENTS

		2015-16*			2016-17*		
		General Fund	Other Funds	Positions	General Fund	Other Funds	Positions
<b>Workload Budget Adjustments</b>							
<b>Other Workload Budget Adjustments</b>							
•	Revised Expenditure Authority per Provision 5 of Item 6645-001-0001	-\$3,067	\$-	-	\$-	\$-	-
•	Miscellaneous Baseline Adjustments	-	-	-	23,945	-	-
<b>Totals, Other Workload Budget Adjustments</b>		<b>-\$3,067</b>	<b>\$-</b>	<b>-</b>	<b>\$23,945</b>	<b>\$-</b>	<b>-</b>
<b>Totals, Workload Budget Adjustments</b>		<b>-\$3,067</b>	<b>\$-</b>	<b>-</b>	<b>\$23,945</b>	<b>\$-</b>	<b>-</b>
<b>Totals, Budget Adjustments</b>		<b>-\$3,067</b>	<b>\$-</b>	<b>-</b>	<b>\$23,945</b>	<b>\$-</b>	<b>-</b>

\* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.

**6645 CSU Health Benefits for Retired Annuitants - Continued****Health Benefits**

	<b>Number of Retirees</b>			<b>Cost*</b>			
	<b>Basic Plans</b>	<b>Medicare Plans</b>	<b>Total</b>	<b>Basic Plans</b>	<b>Medicare Supplement</b>	<b>Part B Reimbursement</b>	<b>Total</b>
<b>2012-13<sup>1</sup></b>	8,882	18,114	26,996	\$93,519	\$107,430	\$21,186	\$222,135
<b>2013-14</b>	7,928	16,092	24,020	98,470	103,865	22,997	225,332
<b>2014-15</b>	6,106	22,407	28,513	110,691	119,870	25,077	255,638
<b>2015-16</b>	5,933	23,456	29,389	134,155	104,446	25,483	264,084
<b>2016-17</b>	5,765	24,554	30,319	145,839	117,603	27,654	291,096

<sup>1</sup>Effective 2012-13, funding for health benefits for California State University annuitants is displayed in Organization Code 6645. The funding was previously budgeted within Organization Code 9650.

## 6645 CSU Health Benefits for Retired Annuitants - Continued

### DETAILED EXPENDITURES BY PROGRAM

		<u>2014-15*</u>	<u>2015-16*</u>	<u>2016-17*</u>
	<b>PROGRAM REQUIREMENTS</b>			
5660	<b>HEALTH BENEFITS FOR CSU RETIRED ANNUITANTS</b>			
	<b>State Operations:</b>			
0001	General Fund	\$255,638	\$264,084	\$291,096
	<b>Totals, State Operations</b>	<b>\$255,638</b>	<b>\$264,084</b>	<b>\$291,096</b>
	<b>TOTALS, EXPENDITURES</b>			
	State Operations	255,638	264,084	291,096
	<b>Totals, Expenditures</b>	<b>\$255,638</b>	<b>\$264,084</b>	<b>\$291,096</b>

### DETAIL OF APPROPRIATIONS AND ADJUSTMENTS

		2014-15*	2015-16*	2016-17*
<b>1</b>	<b>STATE OPERATIONS</b>			
	<b>0001 General Fund</b>			
	APPROPRIATIONS			
	001 Budget Act appropriation	\$270,144	\$267,151	\$291,096
	Revised Expenditure Authority per Provision 4 of Item 6645-001-0001	-7,082	-	-
	Revised Expenditure Authority per Provision 5 of Item 6645-001-0001	-	-3,067	-
	<b>Totals Available</b>	<b>\$263,062</b>	<b>\$264,084</b>	<b>\$291,096</b>
	Unexpended balance, estimated savings	-7,424	-	-
	<b>TOTALS, EXPENDITURES</b>	<b>\$255,638</b>	<b>\$264,084</b>	<b>\$291,096</b>
	<b>Total Expenditures, All Funds, (State Operations)</b>	<b>\$255,638</b>	<b>\$264,084</b>	<b>\$291,096</b>

\* Dollars in thousands, except in Salary Range. Numbers may not add or match to other statements due to rounding of budget details.